

Endowment Fund Investment Bd Endowment Investments

Description:

The basic goals of the Endowment Fund Investment Board are to provide safety of investments, increased distributions to fund beneficiaries, growth of the principal through realized gains, and to provide investment management to the State Insurance Fund.

Major Functions and Targeted Performance Standard(s) for Each Function:

1. Earnings reserve fund.

A. Public school.

Actual Results			
1998	1999	2000	2001
			29,554,264
Projected Results			
2002	2003	2004	2005
31,000,000	33,200,000	35,500,000	38,000,000

B. Pooled investments

Actual Results			
1998	1999	2000	2001
			19,934,687
Projected Results			
2002	2003	2004	2005
20,900,000	22,400,000	24,000,000	25,700,000

2. Permanent Endowment Fund.

A. Public school.

Actual Results			
1998	1999	2000	2001
			515,590,463
Projected Results			
2002	2003	2004	2005
541,400,000	579,300,000	619,900,000	663,300,000

B. Pooled investments.

Actual Results			
1998	1999	2000	2001
			236,818,142
Projected Results			
2002	2003	2004	2005
248,700,000	266,100,000	284,700,000	304,600,000

3. Total fund - this is the permanent corpus plus earnings reserve. Active (as opposed to buy and hold) investment management of endowment funds and the State Insurance Fund by manager of investments, assistant managers and equity managers.

A. Public school

Actual Results			
1998	1999	2000	2001
479,925,957	523,295,526	552,321,831	545,144,727
Projected Results			
2002	2003	2004	2005
572,400,000	612,500,000	655,400,000	701,300,000

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B. Pooled investments.

Actual Results			
1998	1999	2000	2001
218,967,796	239,638,864	256,563,333	256,752,829
Projected Results			
2002	2003	2004	2005
269,600,000	288,500,000	308,700,000	330,300,000

C. State Insurance Fund.

Actual Results			
1998	1999	2000	2001
344,852,720	315,548,582	294,039,948	293,152,396
Projected Results			
2002	2003	2004	2005
294,000,000	295,000,000	296,000,000	297,000,000

4. Distribution to fund beneficiaries.

A. Public school appropriations/ distribution or estimate.

Actual Results			
1998	1999	2000	2001
29,100,000/29,978,409	31,700,000/31,844,386	33,200,000/33,336,888	44,700,000/44,700,000
Projected Results			
2002	2003	2004	2005
47,675,000/47,675,000	40,605,000/40,605,000	43,650,000/43,650,000	46,925,000/46,925,000

B. Pooled appropriations/distribution or estimate.

Actual Results			
1998	1999	2000	2001
13,000,000/13,029,935	14,040,000/14,082,812	14,740,000/15,229,512	20,750,000/20,750,000
Projected Results			
2002	2003	2004	2005
21,965,000/21,965,000	18,680,000/18,680,000	20,080,000/20,080,000	21,585,000/21,585,000

C. State Insurance Fund income earned/dividend distribution.

Actual Results			
1998	1999	2000	2001
21,081,427/61,500,000	18,147,934/41,500,000	17,200,090/33,000,000	17,104,414/25,000,000
Projected Results			
2002	2003	2004	2005
16,500,000/25,000,000	17,000,000/26,000,000	17,500,000/27,000,000	18,000,000/28,000,000

5. To provide performance report --FY2001 was first equity year.

A. Total fund performance

Actual Results			
1998	1999	2000	2001
n/a	n/a	n/a	-3.00%
Projected Results			
2002	2003	2004	2005
2.00%	5.00%	5.00%	7.00%

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6. Agency cost - Continuous appropriation consultant, equity managers, bank fees.

A. Total continuous appropriation cost and estimates.

Actual Results			
1998	1999	2000	2001
n/a	n/a	n/a	1,327,421
Projected Results			
2002	2003	2004	2005
2,650,000	3,300,000	4,000,000	4,500,000

7. Cost of management by outside firm at 0.25%.

A.

Actual Results			
1998	1999	2000	2001
2,609,366	2,696,207	2,749,813	2,774,501
Projected Results			
2002	2003	2004	2005
2,867,768	2,964,160	3,051,299	

Program Results and Effect:

The Endowment Fund Investment Board produces distribution estimates to fund beneficiaries. The Fund is constantly researching ways to maximize return to the funds under management. The ultimate effect of this program is the continued management necessary to maintain fund safety and to insure maximum return to the fund beneficiaries and the people of Idaho.

Numbers for FY 2001 and beyond are based on the variable spending policy. The State Insurance Fund estimates are purely speculative, due to the changes that have taken place in their office.

1A and 1B, 2A and 2B are market values. 3A and 3B are book values through FY 2000 and market values thereafter. 3C is book value throughout.

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